



هيئة تشجيع الاستثمار الفلسطينية
Palestinian Investment Promotion Agency



مؤتمر فلسطين للاستثمار
Palestine Investment Conference



INSPIRING BUSINESS



Tourism Sector

Project Number:	PIC-2010-IO-079
Project Name:	Qalqilya Health and Entertainment Center
Sponsor Company:	Qalqilya Municipality
Contact Details:	Mr. Samer Dwabash Mobile: +970-59-7916585 Email: abdalmom@yahoo.com
Total Cost of the Project:	US \$600,000
Investment by Current Owners:	US \$300,000
Required Investment:	US \$300,000

Project Description:

Qalqilya Municipality is seeking a financing partner to assist in the implementation of building a venue that will include a half Olympic indoor swimming pool, fitness area and an entertainment center. The Municipality aims at building this establishment on the grounds of the city of Qalqilya's amusement park and zoo.

The project will focus on improving the overall services, conditions and appearance of the grounds in order to encourage local residents along with Palestinians from the West Bank and those living in Israel to visit and enjoy the facility. Qalqilya Municipality's intentions are to decrease the emotional stress of the citizens of the city from the Israeli occupation and the presence of the wall which has both physically and emotionally imprisoned the Palestinians.

The projects customers will be mainly athletes who are either professional or amateur swimmers along with those who are interested in participating in swimming races and contests. This facility will be open to public of different ages and both genders.

The project will also focus on encouraging women who enjoy swimming to visit the facility since it will be indoors and segregated. Additionally, the project will motivate governmental and nongovernmental organizations who are interested in encouraging, educating and uplifting youth in Palestine to conduct field trips to the establishment and enjoy the facility.

Qalqilya Municipality will be the first to create a fully equipped half Olympic indoor swimming pool that will meet the standards of pools worldwide.

Qalqilya Municipality has extensive experience in promoting tourists and citizens of Palestine to visit their city and participate in their cities local events.

The project's administration that currently operates Qalqilya's recreational park and zoo accepting roughly 300,000 visitors from Palestine a year will also be running the operations of the newly established facility.

Project Development Time Table:

	Expected number of months from finance availability
Establishment of Project	12

Current Owners' Profile:

Qalqilya Municipality was established in 1912 by the first local council in accordance with a specific structure of the family under the chairmanship of the late Omar Hussein Younis.

Qalqilya Municipality provides various services to its citizens and those in the surrounding villages through its various departments that work under the supervision of the mayor and the municipal council which consists of 15 members.

Qalqilya Municipality has been developing the educational system in the city through its substantial contribution of building schools as a result of the growing need for educational units and constant maintenance of all schools and educational facilities. The Municipality also supports the city's health sector by tackling the environmental pollution, and finding appropriate waste management methods. Additionally, the municipality is trying to overcome the high level of unemployment rates, by creating job opportunities and connecting to donor countries to assist in the agricultural sector since Qalqilya's land is very well known for its healthy soil and quality produce. Despite the Municipality's efforts to improve the citizen's standard of living and Qalqilya's overall economy, they still suffer tremendously from the political situation which has led to the closure and the economic embargo on the Palestinian territories and in particular the city of Qalqilya. However, Qalqilya's Municipality is making great efforts to maintain the quality and efficiency of the services it provides to its citizens.

Industry Highlights:

Since 1994, optimism about the future political situation prevailed in Palestine resulting in significant growth for the tourism industry. In 2000, an estimated 12,000 workers were employed in the sector, with estimated total income receipts reaching US \$226.3 million; following the outbreak of the Intifada, tourism dropped by over 90 percent in 2001 and 2002. More recently, the local tourism industry has expanded as Palestinians look for local recreational alternatives, especially in the spring and summer. Families and groups are interested in educational holidays that include visits to historical sites, museums, festivals, and heritage or cultural-based attractions. This is a growing trend in the tourism sector.

SWOT Analysis

Internal Analysis	
Strengths	Weaknesses
<ul style="list-style-type: none"> • Increase Qalqilya's visitors • The project will offer a unique recreational and cultural experience that is not available in the Northern parts of Palestine • Project offers a diverse range of services under one roof • The Northern climate allows the facility to operate for a long season 	<ul style="list-style-type: none"> • Lack of financial resources

External Analysis	
Opportunities	Threats
<ul style="list-style-type: none"> • Great potential for the local tourism industry • Ground facilities will allow for future expansions 	<ul style="list-style-type: none"> • Political instability

Financial Projections in US\$

Indicators	2010	2011	2012	2013	2014
Income statement Accounts					
Revenues	107,271	134,089	160,907	187,725	214,542
Gross Profit	40,277	50,284	60,341	70,397	80,454
Net Income	925	7,406	13,887	20,367	26,848
Cash Flow Accounts					
Operating Cash Flow	25,925	32,406	38,887	45,367	51,848
Investing Cash Flow	(500,000)	0	0	0	0
Financing Cash Flow	600,000	0	0	0	0
Balance Sheet Accounts					
Total Assets	600,925	608,331	622,218	642,585	669,434
Total Liabilities	0	0	0	0	0
Total Equity	600,925	608,331	622,218	642,585	669,434
Profitability Indicators					
Return on Assets	0.15%	1.22%	2.23%	3.17%	4.01%
Return on Equity	0.15%	1.22%	2.23%	3.17%	4.01%



Agribusiness Sector

Project Number:	PIC-2010-IO-060
Project Name:	Cattle Farm
Sponsor Company:	Rasem Sawan
Contact Details:	Mr. Rasem Sawan Mobile: +970-59-8903728 Email: rasem.sawan@hotmail.com
Total Cost of the Project:	US\$ 714,286
Investment by Current Owners:	US\$ 255,000
Required Investment:	US\$ 459,286

Project Description:

The project is to start a modern, environmentally sustainable farm on over 30 Dunum of land in Immatain village between Nablus and Qalqilya. The farm will raise 200-300 sheep, and will sell all types of sheep products, including meat and dairy. Targeted clients will be dairy manufacturers, while the lambs will be sold in the local market.

Mr. Sawan passionately believes that Palestinians are capable of competing with Israelis in the agricultural sector, given the ability to utilize modern technologies and techniques to maximize their land and resources. Part of the impetus in seeking funding for this project is to take advantage of unused lands in poor rural areas between Nablus and Qalqilya to raise the livestock at. There is an abundant source of labor in this area, and the project will provide much-needed jobs. The hope is that the establishment of this commercially viable, highly modern, and environmentally sustainable farm can highlight to others the sector's potential.

Project Development Time Table:

Land Purchase	Completed
Construction	6 months after funding
Equipment Procurement	8 months after funding

Current Owners' Profile:

Rasem Sawan is an Agricultural Engineer specialized in animal health and animal production, with the vision to raise Palestinian farming standards through the implementation of advanced engineering and state-of-the-art technology. His extensive experience in this field dates back decades, as his family owned a number of farms where they raised chickens

and cows. They also owned a store in Nablus where they imported and sold chicks, animal feed, veterinary equipment and drugs, as well as providing consulting services to farmers.

Industry Highlights:

The food & beverage sector is growing rapidly both vertically and horizontally. The official figures indicate that there are more than 1,600 firms in the sector including bakeries. Excluding bakeries, the number goes down to 224 manufacturing firms including the large scale milk cow farms (>50 cows). 152 of them are active members of the food industry association. The large number of female cooperatives working in the food processing sector combined with traditional sweets and confectionary makers are not included. The total labor force is estimated at 8,000 workers. The importance of the sector is its direct relation to the nation's food security. The food and beverage sector accounts for 4.8% of the Palestinian GDP.

Sector diversification

The sector is comprised of a wide variety of products. These are: meats, vegetables (fresh and frozen), oils and fats, dairy, flour mills, animal feed, chocolates and confectionaries, spaghetti, water and beverages, chips and snacks as well as others.

Quality as an advantage

Food products are directly related to human health and safety; hence they deserve special attention in terms of quality assurance and control. Short expiry dates, an increased awareness among consumers, and severe competition are all factors that continue to push producers towards higher quality standards. Many firms have acquired the necessary certifications of ISO versions and HACCP. Approximately 95% of foodstuffs are covered by the technical specifications of the Palestinian standards. Many firms have also acquired the necessary national certificates PS, as well as the international HACCP, ISO 22000 standards.

Marketing position

The average food purchases of Palestinian households make up around 42% of all other living expenses. This figure highlights the importance of the sector. The majority of sales target the Palestinian population in the West Bank and Gaza, few products are sold in Jerusalem while even less are being sold in Israel. The closure of Gaza and Jerusalem has resulted in depriving the sector of 55% of its normal constituencies. The market share for food products varies between 90% for meat products to 30% for dairy products; the average is around 50%. The food industry has experienced exports mainly to Arab countries. Olive oil and other fair trade products have been exported to many countries around the world.

SWOT Analysis

Internal Analysis	
Strengths	Weaknesses
<ul style="list-style-type: none"> • Owner has extensive experience as an agricultural engineer 	<ul style="list-style-type: none"> • Lack of sufficient financial resources from the current owner
<ul style="list-style-type: none"> • Reliance on local resources in feeding / growing the sheep 	

External Analysis	
Opportunities	Threats
<ul style="list-style-type: none"> • Limited competition in North West Bank market • Potential to develop future export markets 	<ul style="list-style-type: none"> • Ongoing political instability

Financial Projections in US\$

Indicators	2010	2011	2012	2013	2014
Income statement Accounts					
Revenues	-	142,857	171,429	205,714	226,286
Gross Profit	-	71,429	92,857	124,286	136,714
Net Income	-	4,067	23,133	44,869	53,927
Cash Flow Accounts					
Operating Cash Flow	-	49,420	68,490	92,369	101,427
Investing Cash Flow	(685,714)	-	(42,857)	-	-
Financing Cash Flow	685,714	28,571	(14,286)	(28,571)	(28,571)
Balance Sheet Accounts					
Total Assets	685,714	718,354	727,200	743,497	768,851
Total Liabilities	-	-	-	-	-
Total Equity	685,714	718,354	727,200	743,497	768,851
Profitability Indicators					
Return on Assets	-	1%	3%	6%	7%
Return on Equity	-	1%	3%	6%	7%

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